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November 23, 1998

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Magalie Roman Salas  
Federal Communications Commission  
The Portals  
Room TW-A325  
445 Twelfth Street, S.W.  
Washington, DC 20554

Re: CC Docket No. 98-184

Dear Ms. Salas:

Transmitted herewith on behalf of United States Cellular Corporation are an original and twelve copies of its Comments and Notice of Intention to Participate in the above-entitled proceeding.

Also a 3.5 inch diskette is being provided to Cecilia Stephens of the Policy and Program Planning Commission in the FCC's Common Carrier Bureau.


Should there be any comments or questions in the above matter, please communicate with the undersigned.

Very truly yours,



Alan Y. Naftalin

No. of Copies rec'd  
List A B C D E



Enclosures

cc(w/encl.):

International Transcription Service  
Chief, Policy and Program Planning Division, FCC (2 copies)  
Chief, International Bureau, FCC (2 copies)  
Jeanine Poltronieri, FCC  
Chief, Commercial Wireless Division, FCC

Before the  
**Federal Communications Commission**  
Washington, D.C. 20554

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**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY**

In re )  
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Applications Seeking FCC Consent to the )  
Transfer of Control of Authorizations ) CC Docket No. 98-184  
Controlled by GTE Corporation )  
To Bell Atlantic Corporation )

**COMMENTS OF UNITED STATES CELLULAR CORPORATION  
AND NOTICE OF INTENTION TO PARTICIPATE**

United States Cellular Corporation (USCC) files herewith, by its attorneys, its Comments and Notice of Intention to Participate with respect to the above-entitled applications.

**Comments**

In effect, these applications by GTE Corporation (GTE) and Bell Atlantic Corporation (Bell Atlantic) seek Commission consent to the merger of the largest "independent" telephone holding company into one of the Regional Bell Operating Companies. As such it is a major example of the consolidation that has been and is being sought in the telecommunications industry.

As part of this proposed merger, the applicants seek permission to add substantially to the aggregation of CMRS interests in common markets, in which they engage in active management.. The applicants state that:

In eight PCS MTA markets which they serve (Miami and Tampa, FL; San

Antonio and Houston, TX; New Orleans, LA; Richmond, VA; Chicago, IL; and Honolulu, HI), GTE and Bell Atlantic hold attributable interests in broadband PCS and cellular spectrum with significant geographic overlap that, when, combined, will total more than the current spectrum cap in Section 20.6 of the Commission's rules, 47 C.F.R. § 20.6. In these markets, Bell Atlantic and GTE will either divest sufficient interests in the licensed spectrum to comply with the CMRS spectrum cap in effect at the time of the closing *or obtain a waiver.*<sup>1</sup>

Doubtless, with the Commission's announcement on November 19, 1998 that it had adopted a *Notice of Proposed Rulemaking* to re-evaluate the need for its current spectrum aggregation limits for CMRS,<sup>2</sup> the parties will seek a waiver, at least pending the outcome of the rulemaking proceeding.<sup>3</sup>

In the meantime, on November 10, 1998, GTE submitted to the Commission the seventh in a series of filings by which it has badgered the Commission and USCC since January 1998 over the fact that through subsidiaries USCC owns the A Block cellular system in Rockford, Illinois, and has a passive beneficial interest in shares which are held in a voting trust and which

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<sup>1</sup> Application at 5; emphasis supplied. Since the parties propose to retain at least some of the new cellular-PCS cross interests, the parties clearly seek a net increase in CMRS cross interests.

<sup>2</sup> Report WT 98-xx, November 19, 1998.

<sup>3</sup> At the Commission meeting which adopted the *NPRM*, the Chief of the Wireless Telecommunications Bureau expressed the opinion that merger applicants might seek waivers or other forms of interim relief while this rulemaking proceeding is pending.

amount to 49% interests in each of two corporations which in turn each hold 20% limited partnership interests in the Rockford B Block cellular licensee which GTE controls. GTE's Rockford interest, incidentally is, as we understand it, one of seven GTE interests in the Chicago MTA which places the combined GTE-Bell Atlantic CMRS ownership in that MTA beyond the allowable limits under present Section 20.6.<sup>4</sup> Thus we contemplate the prospect of GTE and Bell Atlantic seeking a waiver to be allowed to retain the Rockford cellular system and the Chicago PCS MTA<sup>5</sup>, and also, among many others, the Dallas cellular system and the Dallas PCS MTA, the Honolulu cellular system and the Honolulu PCS MTA, the Houston cellular system and the Houston PCS MTA, the San Antonio cellular system and San Antonio PCS MTA, the Richmond cellular system and the Richmond PCS MTA, and the Tampa cellular system and the Tampa-St. Petersburg-Orlando PCS MTA, while at the same time GTE continues to seek to oust USCC prematurely from its passive beneficial interest in Rockford.

USCC has presented to the Commission what it considers to be ample grounds to be allowed to retain its beneficial interest in Rockford without regard to any action that may be requested or granted in the instant proceeding. Against the unlikely possibility that the Commission may not agree, however, the purpose of these Comments is to point out that if the Commission does in fact grant the applicants here a waiver to permit them to retain some or all of the cross interests identified in the section of their application which we quoted above, whatever

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<sup>4</sup> Rockford, Illinois, Fort Wayne, Indiana, Illinois RSAs Nos. 1, 2, and 3, and Indiana RSAs Nos. 1 and 3.

<sup>5</sup> As we understand it, Bell Atlantic holds a 50% interest in all of the MTAs listed in the quotation from its application above, through its 50% interest in PCS Primeco, LP, and engages in active management of those PCS interests.

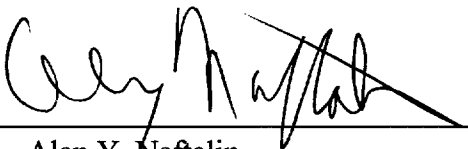
reasoning is employed to support such an action must, if valid, also require that USCC be allowed to retain its beneficial Rockford interest. We specifically request that the Commission take this into account in connection with any action it may take which permits GTE-Bell Atlantic to hold cross interests which are inconsistent with present Section 20.6 of the rules.

**Notice of Intention to Participate**

With this filing USCC also declares itself to be a party in interest with respect to any waiver request that the applicants herein may file, with the right to be served with and comment on any such request or other written submission and the right to be notified of and participate in any oral communication with the Commission on that subject.

Respectfully submitted,

UNITED STATES CELLULAR CORPORATION

By   
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November 23, 1998

CERTIFICATE OF SERVICE

I, Judy Norris, a legal secretary in the firm of Koteen & Naftalin, L.L.P., hereby certify that on the 23<sup>rd</sup> day of November, 1998, copies of the foregoing "Comments of United States Cellular Corporation and Notice of Intention to Participate" were deposited in the U.S. mail, first-class, postage prepaid, addressed to:

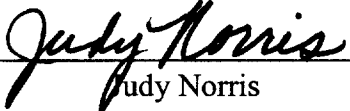
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